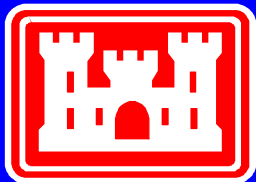


3rd Quarter 97

Directorate of Resource Management



Directorate of Resource Management

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Directorate of Resource Management

Index of Indicators

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B - Brief I - Information S - Special Interest N - Not Addressed

Resource Management Program

Division Overview - 3Q97

	HNC	LRD	MVD	NAD	NWD	POD	SAD	SPD	SWD	TAC	CER	CRL	TEC	WES	HQ	CE
Revolving Fund	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
MILCON S&A Leakage	■	■		■	■	■	■	■	■	■						■
OMA S&A Leakage		■		■	■	■	■	■	■	■						■
Joint Reconciliation	■	■	■	■	■	■	■	■	■	■				■		■
Military Accounting	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Civil Manpower																
Military Manpower																
Cost of Doing Business	■	■	■	■	■	■	■	■	■	■						■

■	Satisfactory	■	Marginal	■	Unsatisfactory
---	--------------	---	----------	---	----------------

Resource Management Program Overview - 3Q97

	HNC	LRD	LRB	LRC	LRE	LRH	LRL	LRN	LRP	MVD	MVK	MVM	MVN	MVP
Revolving Fund	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory
MILCON S&A Leakage	Marginal	Unsatisfactory					Unsatisfactory							
OMA S&A Leakage		Satisfactory		Satisfactory			Satisfactory							
Joint Reconciliation	Unsatisfactory	Marginal								Satisfactory				
Military Accounting	Unsatisfactory	Unsatisfactory								Unsatisfactory				
Civil Manpower														
Military Manpower														
Cost Of Doing Business	Satisfactory	Marginal	Unsatisfactory	Marginal	Satisfactory	Satisfactory	Marginal	Marginal	Satisfactory	Marginal	Unsatisfactory	Marginal	Marginal	Satisfactory

	MVR	MVS	NAD	NAB	NAE	NAN	NAO	NAP	NWD	NWK	NWO	NWP	NWS	NWW
Revolving Fund	Satisfactory	Satisfactory	Unsatisfactory	Unsatisfactory	Satisfactory	Unsatisfactory	Satisfactory	Unsatisfactory	Unsatisfactory	Satisfactory	Satisfactory	Satisfactory	Marginal	Unsatisfactory
MILCON S&A Leakage			Satisfactory	Satisfactory		Satisfactory	Satisfactory	Satisfactory	Unsatisfactory	Unsatisfactory	Unsatisfactory		Satisfactory	
OMA S&A Leakage			Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Marginal	Unsatisfactory	Satisfactory		Satisfactory	
Joint Reconciliation			Unsatisfactory						Unsatisfactory					
Military Accounting			Unsatisfactory						Unsatisfactory					
Civil Manpower														
Military Manpower														
Cost Of Doing Business	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory

















































































Resource Management Program Overview - 3Q97

	POD	POA	POF	POH	POJ	SAD	SAC	SAJ	SAM	SAS	SAW	SPD	SPA	SPK	SPL
Revolving Fund	Satisfactory	Unsatisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Unsatisfactory	Satisfactory	Satisfactory	Unsatisfactory
MILCON S&A Leakage	Unsatisfactory		Unsatisfactory	Marginal	Satisfactory	Unsatisfactory			Unsatisfactory	Unsatisfactory		Marginal	Marginal	Satisfactory	Satisfactory
OMA S&A Leakage	Unsatisfactory	Satisfactory	Unsatisfactory	Unsatisfactory	Marginal	Unsatisfactory			Unsatisfactory	Unsatisfactory		Unsatisfactory	Marginal	Marginal	Unsatisfactory
Joint Reconciliation	Unsatisfactory					Unsatisfactory						Unsatisfactory			
Military Accounting	Unsatisfactory					Unsatisfactory						Unsatisfactory			
Civil Manpower															
Military Manpower															
Cost Of Doing Business	Satisfactory	Marginal				Marginal	Unsatisfactory	Marginal	Satisfactory	Marginal	Marginal	Marginal	Satisfactory	Marginal	Unsatisfactory

	SPN	SWD	SWF	SWG	SWL	SWT	TAC	TAE	CER	CRL	TEC	WES	HQ	CE
Revolving Fund	Unsatisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory
MILCON S&A Leakage		Unsatisfactory	Marginal		Marginal	Unsatisfactory	Unsatisfactory	Satisfactory						Unsatisfactory
OMA S&A Leakage		Unsatisfactory	Satisfactory		Satisfactory	Unsatisfactory	Unsatisfactory	Unsatisfactory						Unsatisfactory
Joint Reconciliation		Unsatisfactory					Unsatisfactory					Unsatisfactory		Unsatisfactory
Military Accounting		Unsatisfactory					Unsatisfactory		Unsatisfactory	Satisfactory	Unsatisfactory	Unsatisfactory	Unsatisfactory	Unsatisfactory
Civil Manpower														
Military Manpower														
Cost Of Doing Business	Unsatisfactory	Satisfactory	Satisfactory	Marginal	Satisfactory	Satisfactory	Unsatisfactory	Satisfactory						Marginal

Revolving Fund Operations

Division Overview - 3Q97

	HNC	LRD	MVD	NAD	NWD	POD	SAD	SPD	SWD	TAC	CER	CRL	TEC	WES	HQ	CE
Gen & Admin																
Dept Overhead																
Area Office Overhead																
Shops & Facilities																
Fund Total																

	Satisfactory		Marginal		Unsatisfactory
---	--------------	--	----------	---	----------------

Revolving Fund Operations

3QFY97

	HNC	LRD	LRB	LRC	LRE	LRH	LRL	LRN	LRP	MVD	MVK	MVM	MVN	MVP	MVR	MVS
Gen & Admin	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Dept Overhead	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Area Office Overhead	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Shops & Facilities	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Fund Total	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

	NAD	NAB	NAE	NAN	NAO	NAP	NWD	NWK	NWO	NWP	NWS	NWW
Gen & Admin	■	■	■	■	■	■	■	■	■	■	■	■
Dept Overhead	■	■	■	■	■	■	■	■	■	■	■	■
Area Office Overhead	■	■	■	■	■	■	■	■	■	■	■	■
Shops & Facilities	■	■	■	■	■	■	■	■	■	■	■	■
Fund Total	■	■	■	■	■	■	■	■	■	■	■	■

■	Satisfactory	■	Marginal	■	Unsatisfactory
---	--------------	---	----------	---	----------------

Revolving Fund Operations

3QFY97

	POD	POA	POF	POH	POJ	SAD	SAC	SAJ	SAM	SAS	SAW	SPD	SPA	SPK	SPL	SPN
Gen & Admin																
Dept Overhead																
Area Office Overhead																
Shops & Facilities																
Fund Total																

	SWD	SWF	SWG	SWL	SWT	TAC	TAE	CER	CPW	CRL	HEC	TEC	WES	WRC	HQ	CE
Gen & Admin																
Dept Overhead																
Area Office Overhead																
Shops & Facilities																
Fund Total																



Satisfactory



Marginal



Unsatisfactory

Revolving Fund Operations

PROGRAM GOAL: To operate on a break even basis.

CURRENT YEAR OBJECTIVES: Maintain nominal balances in Dept OH, G&A OH, Area Office and Shops & Facilities accounts.

END OF YEAR PREDICTION: Green

CURRENT YEAR RESOURCES: \$3.5 Billion

IMPACT ASSESSMENT: Failure to achieve nominal balance by year end could result in a statutory violation.

ANALYSIS AND CORRECTIVE ACTION: Revolving Fund performance is being tracked by each Quarter of FY 97 by reflecting end of period balances for the sum of Shop & Facility Accounts, and Overhead Accounts. It appears that many Divisions are far from achieving nominal balance by the end of this FY. Commanders need to take the necessary action to resolve the large balances.

AS OF: 30 Jun 97

POC: Diana J. Wilt

ASSESSMENT: RED


CERM-F

RM01

(202) 761-0075

MILCON S&A Leakage
























Division Overview - 3Q97

HNC		NWD		SPD	
LRD		POD		SWD	
NAD		SAD		TAC	
		CE			

	Satisfactory		Marginal		Unsatisfactory
---	--------------	--	----------	---	----------------

MILCON S&A Leakage

3Q97

HNC		NWS		SPL	
LRL		POF		SWF	
NAB		POH		SWL	
NAN		POJ		SWT	
NAO		SAM		TAE	
NAP		SAS		TAW	
NWK		SPA		CE	
NWO		SPK			

 Satisfactory  Marginal  Unsatisfactory

MILCON S&A Leakage

PROGRAM GOAL: Collect all funds before awarding construction contracts (zero leakage).

CURRENT YEAR OBJECTIVES: Eliminate leakage.

END OF YEAR PREDICTION: Green

CURRENT YEAR RESOURCES: The expected income (placement X S&A rate) is 86.2M.

IMPACT ASSESSMENT: Leakage can lead to a potential Anti-Deficiency violation that requires a flash report to HQ.

ANALYSIS AND CORRECTIVE ACTION: When income is not sufficient to cover expenses (amber or red ratings), Commanders should research and pinpoint the cause: an unauthorized rate being charged to customers; accounting errors, such as failing to apply S&A rate, or to apply the correct S&A rate, or to collect income on reimbursable projects. As a strategy for determining the cause, Commanders should examine all open construction contracts and ensure that the proper S&A has been charged; Commanders should ensure that the proper S&A has been charged; Commanders should ensure that contingency funds for reimbursable orders were properly transferred to the current fiscal year.

AS OF: 30 Jun 97

RM02

POC: Diana J. Wilt










CERM-F

(202) 761-0075

ASSESSMENT: RED

OMA S&A Leakage


























Division Overview - 3Q97

LRD		POD		SWD	
NAD		SAD		TAC	
NWD		SPD			
		CE			

	Satisfactory		Marginal		Unsatisfactory
---	--------------	--	----------	---	----------------

OMA S&A Leakage

3Q97

LRC		NWS		SPK	
LRL		POA		SPL	
NAB		POF		SWF	
NAE		POH		SWL	
NAN		POJ		SWT	
NAO		SAM		TAE	
NAP		SAS		TAW	
NWK		SPA		CE	
NWO					



OMA S&A Leakage

PROGRAM GOAL: Collect all funds before awarding construction contracts (zero leakage).

CURRENT YEAR OBJECTIVES: Eliminate leakage.

END OF YEAR PREDICTION: GREEN

CURRENT YEAR RESOURCES: The expected income (placement X S&A rate) is \$32.4M.

IMPACT ASSESSMENT: Leakage can lead to a potential Anti-Deficiency violation that requires a flash report to HQ.

ANALYSIS AND CORRECTIVE ACTION: Funds must always be received before beginning work. This has been a recurring problem. Commanders need to personally take a hard line with the installations and insist that funds are provided up-front before beginning work on projects, and not accept any new work until they provide funding for the ongoing work.















AS OF: 30 Jun 97

POC: Diana J. Wilt
CERM-F
(202) 761-0075

ASSESSMENT: RED

Joint Reconciliation - Problem Disbursements

3Q97

HEC		NAD		SWD	
HNC		NWD		TAC	
LRD		POD		UFC	
MVD		SAD		WES	
		SPD			
		CE			

	Satisfactory		Marginal		Unsatisfactory
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Joint Reconciliation Program - Problem Disbursements

PROGRAM GOAL: Match disbursements to obligations within 60 days of payment, including payments made by other finance activities; obligate all unmatched disbursements within 180 days of payment.

CURRENT YEAR OBJECTIVES: Maintain unmatched disbursements > 60 days at or below FY 97 baseline (\$5.6 Million for USACE); obligate unmatched disbursements in canceling appropriations by 30 June.

END OF YEAR PREDICTION: AMBER

IMPACT ASSESSMENT: Valid disbursements applicable to USACE activities must be obligated with available military funding, if not matched to obligations recorded in official accounting records. Possible reduction in Command's obligation flexibility in military appropriations.

ANALYSIS AND CORRECTIVE ACTION: Problem disbursements > 180 days totaling \$13.4M far exceeds the HQDA goal for USACE of \$1.5M. Additionally, problem disbursements > 360 days total more than \$343K. HQDA goal is to eliminate these problem disbursements entirely. RM personnel must continually review, research and follow-up on any unmatched disbursements to sustain low outstanding balances. Activities receiving accounting support from the USACE Finance Center must work closely with the UFC to clear problem disbursements.

AS OF: 30 Jun 97

POC: Susan LeBleu

ASSESSMENT: RED



CERM-F

(202) 761-0065

RM04

Unliquidated Obligations in Canceling Appropriations

3Q97

CER		MVD		SPD	
CRL		NAD		SWD	
HEC		NWD		TAC	
HNC		POD		TEC	
LRD		SAD		WES	
		HQUSACE			
		CE			



Unliquidated Obligations in Canceling Appropriations

PROGRAM GOAL: Liquidate obligations when military appropriations are available for use.

CURRENT YEAR OBJECTIVES: By 30 Jun 97, liquidate all obligations in military appropriations which cancel 30 Sep 97.

END OF YEAR PREDICTION: Green

CURRENT YEAR RESOURCES: \$12.9 Million Obligated by USACE activities
\$ 4.6 Million by Army Environmental Center (USATHAMA)

IMPACT ASSESSMENT: Obligations, to include customer orders, not liquidated by year end must be financed with appropriations available in future years, thus reducing future spending power.

ANALYSIS AND CORRECTIVE ACTION: YTD reduction is only 37% of beginning balance, should be 100%. Requires continuous monitoring and aggressive follow-up by program and resource managers, contracting officials, and counsel.

AS OF: 30 Jun 97

POC: Susan LeBleu

ASSESSMENT: RED

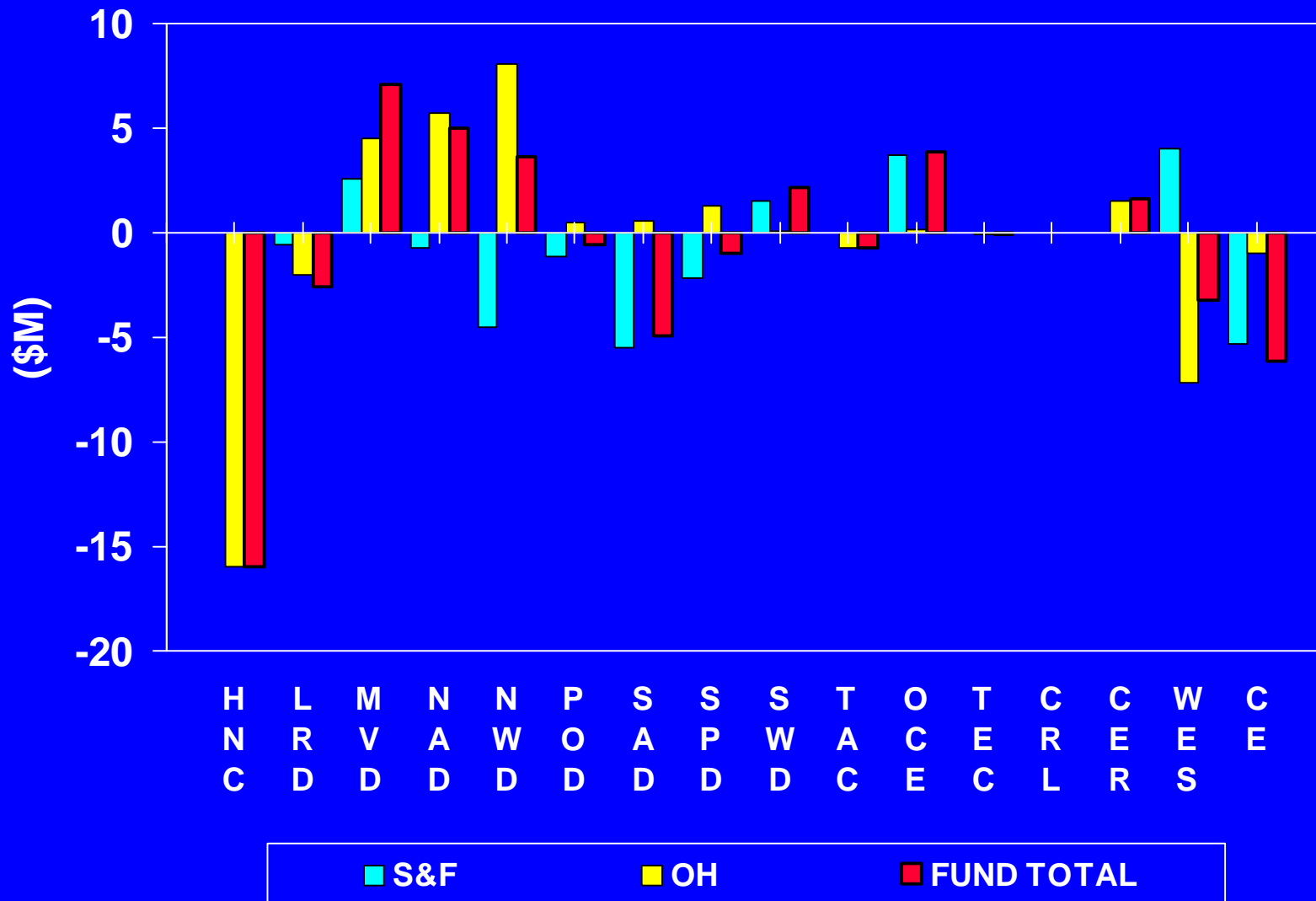
CERM-F

RM05

(202) 761-0065

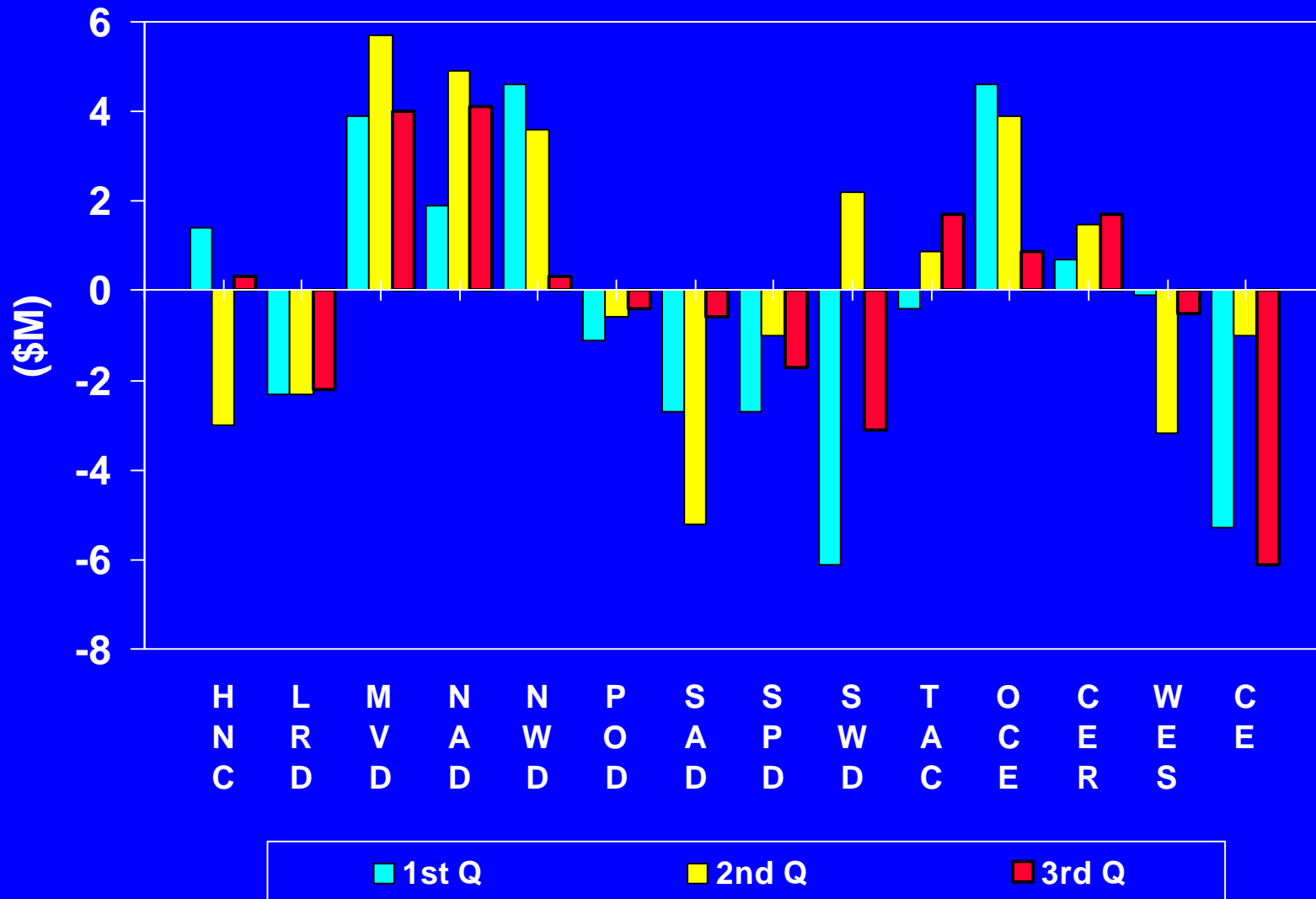
Revolving Fund Operations

Division Overview - 3Q97



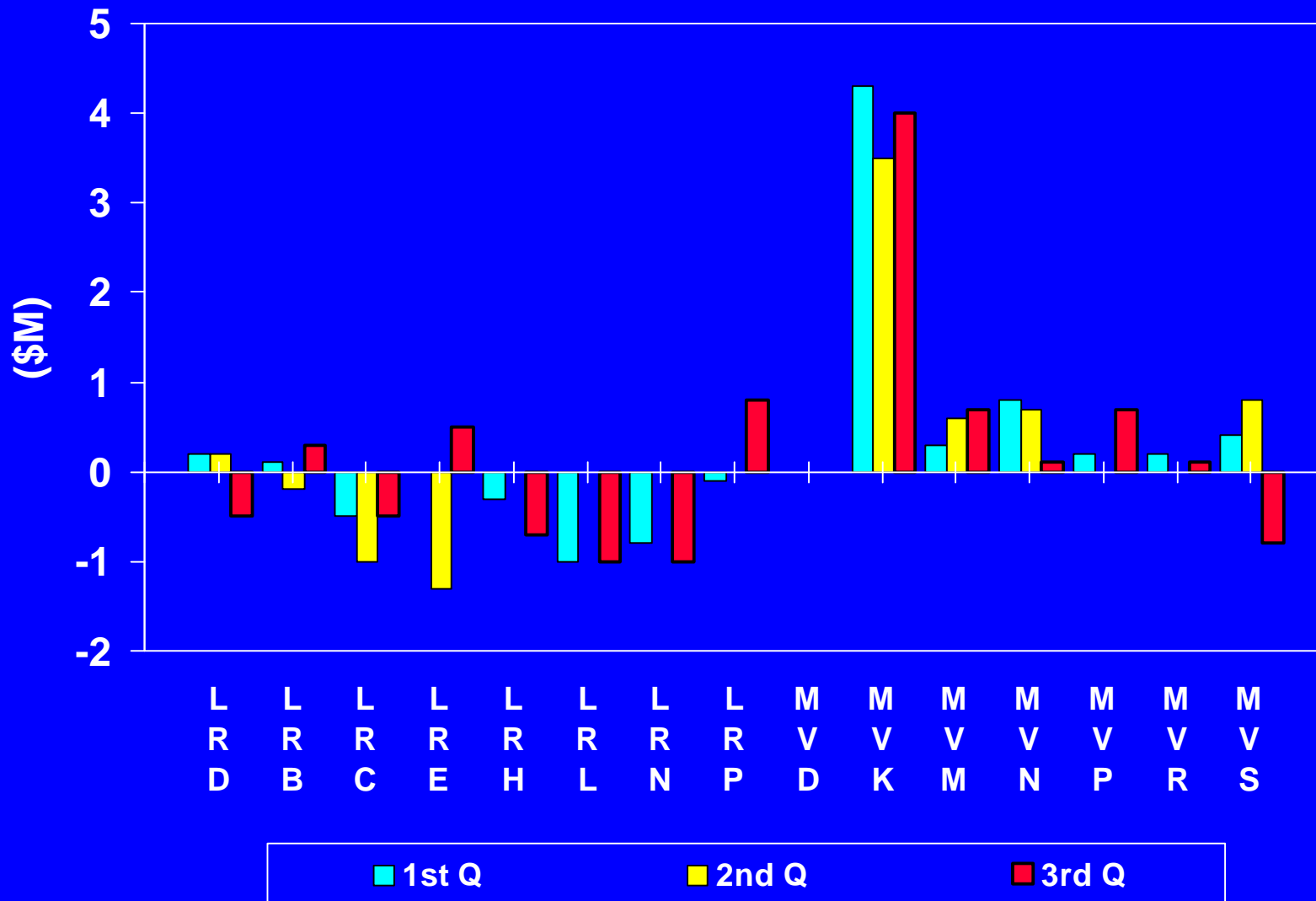
Revolving Fund Operations

Division Overview - 3Q97



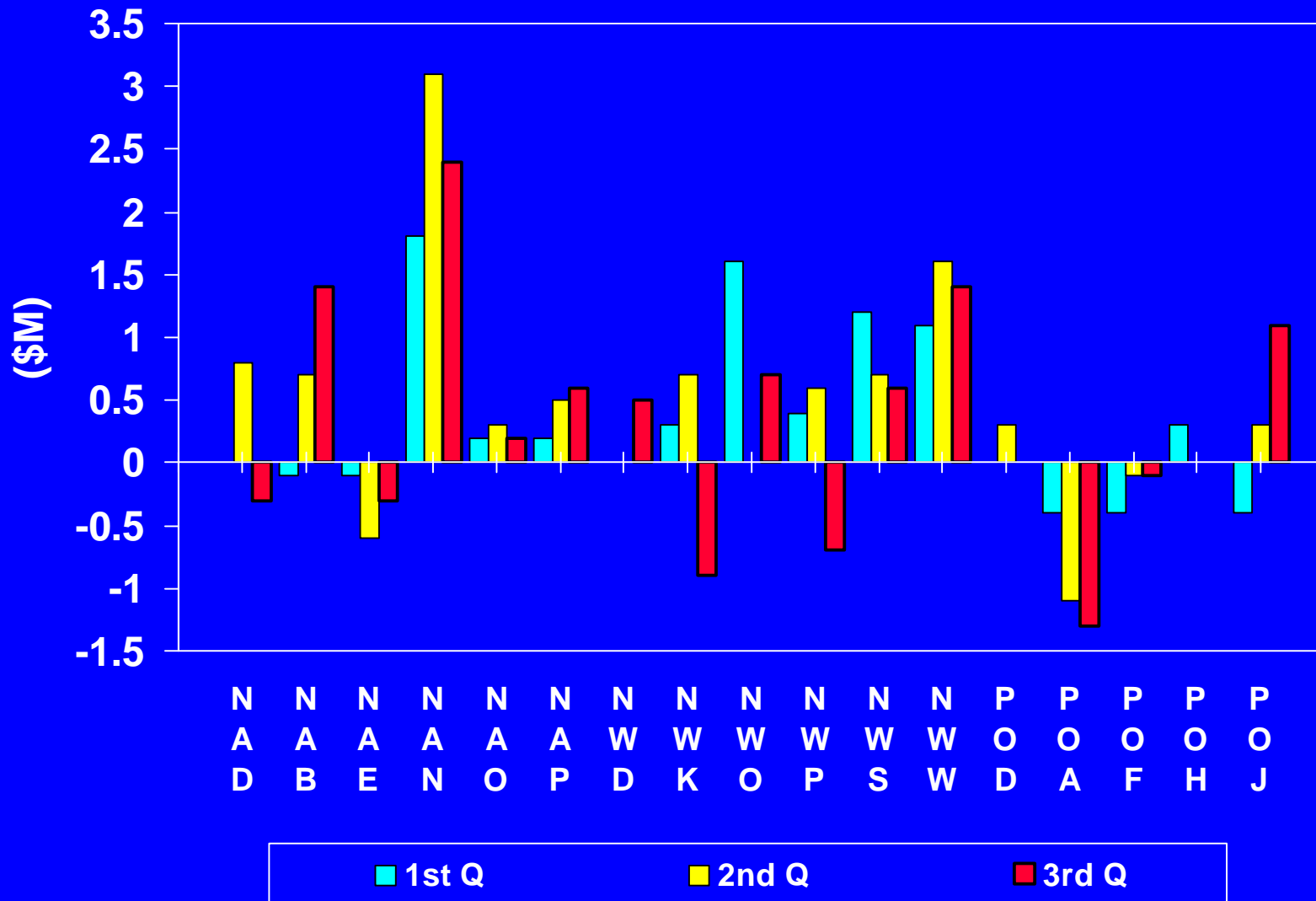
Revolving Fund Operations

District Overview - 3Q97



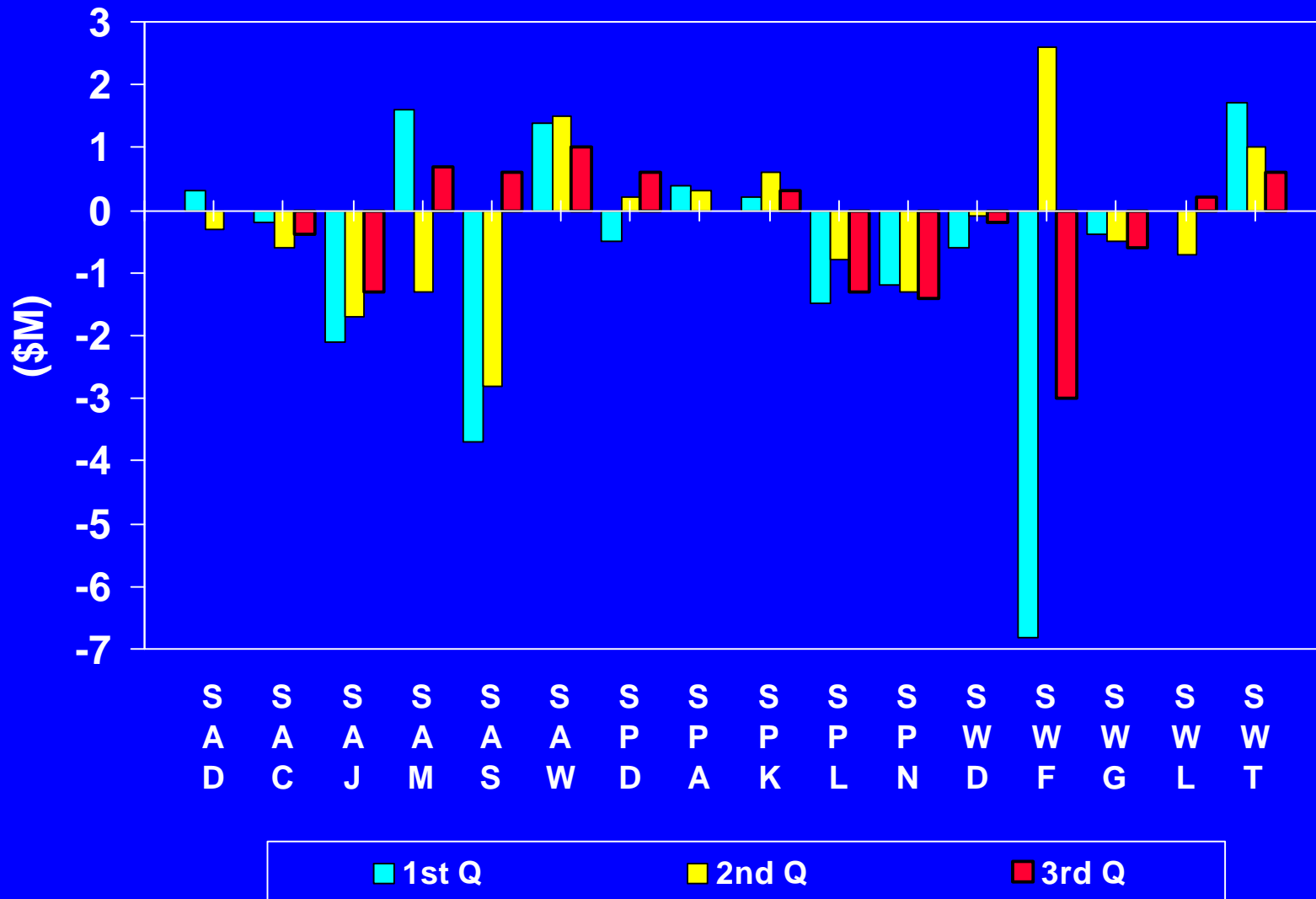
Revolving Fund Operations

District Overview - 3Q97



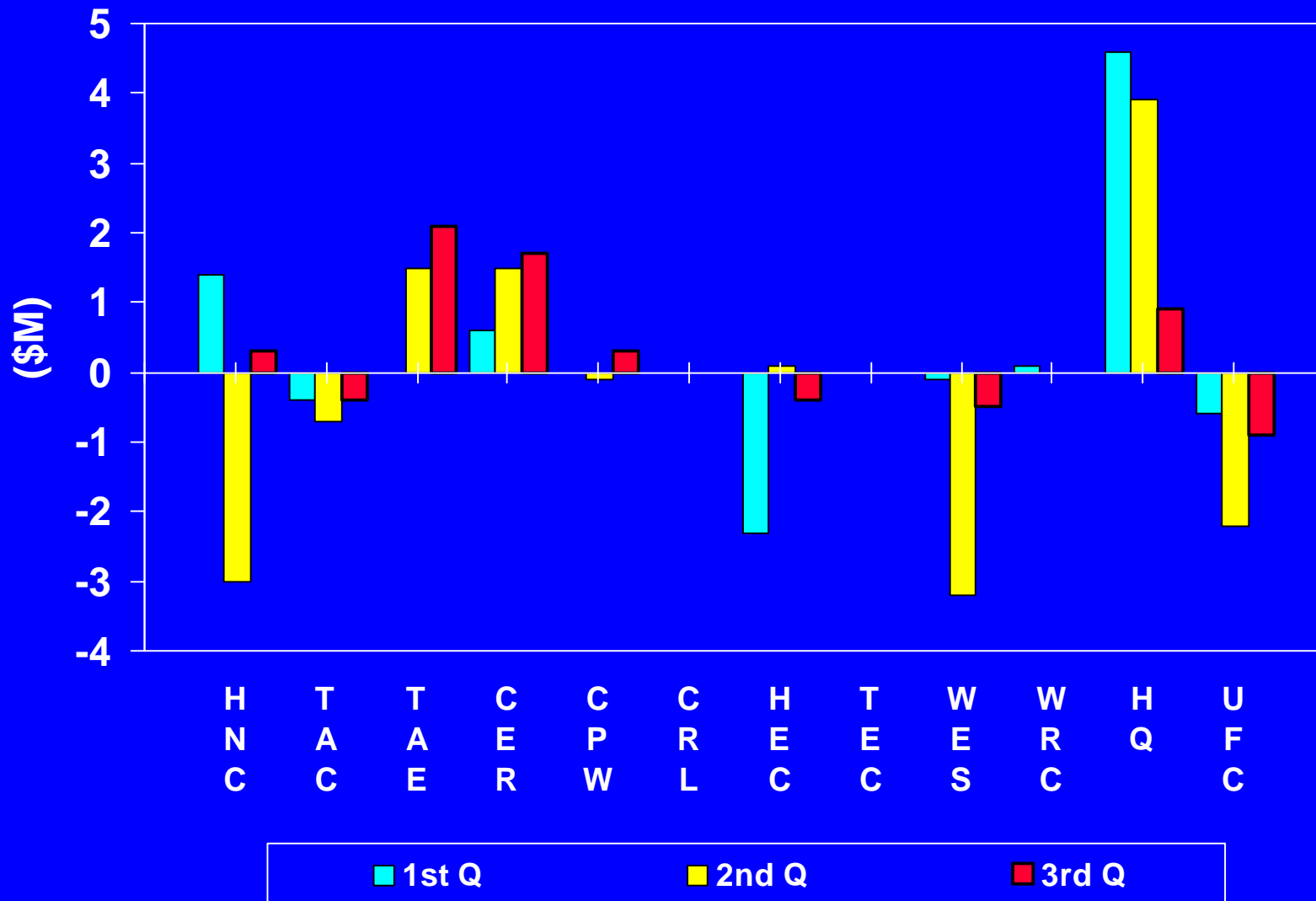
Revolving Fund Operations

District Overview - 3Q97



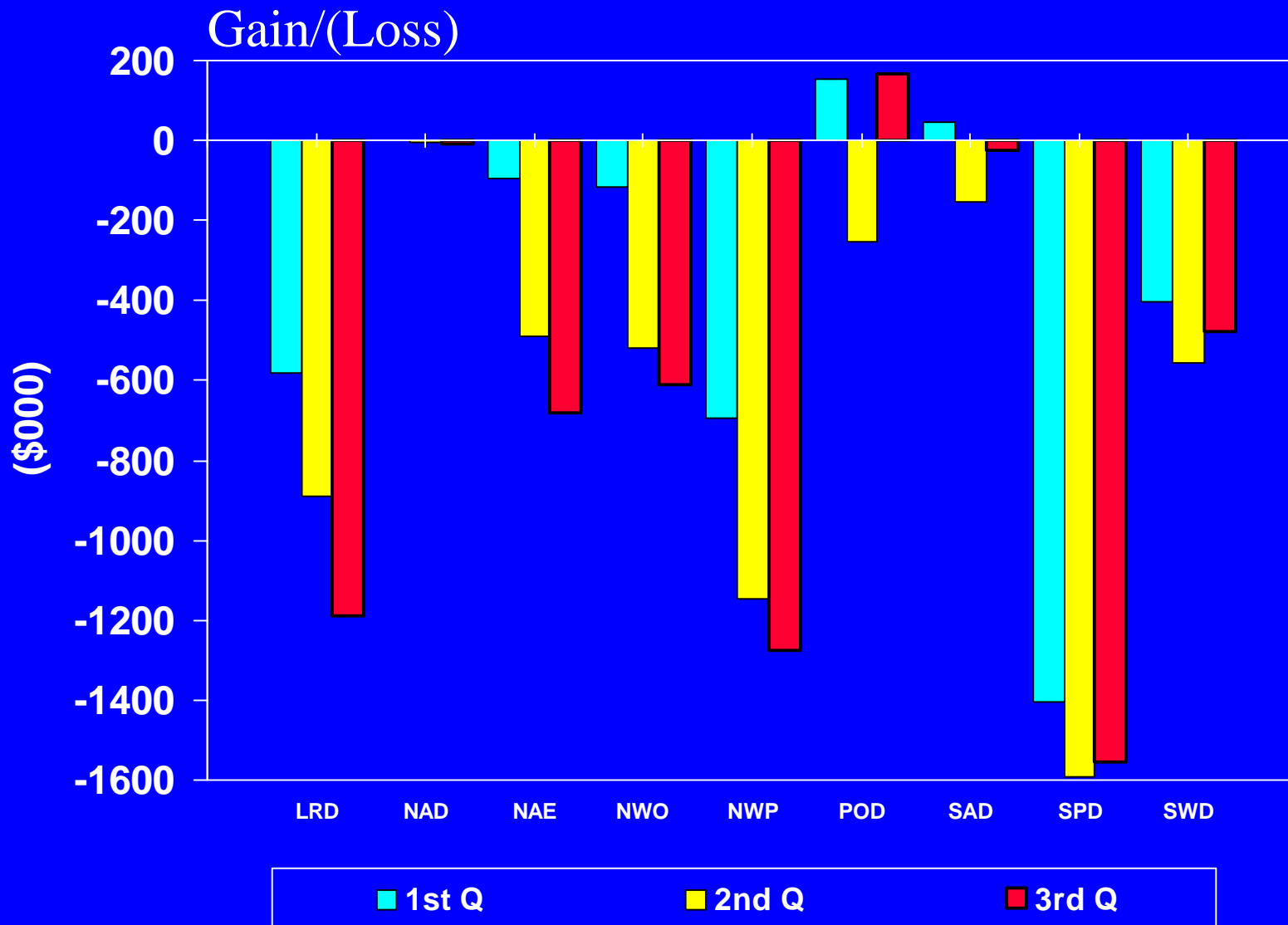
Revolving Fund Operations

District Overview - 3Q97



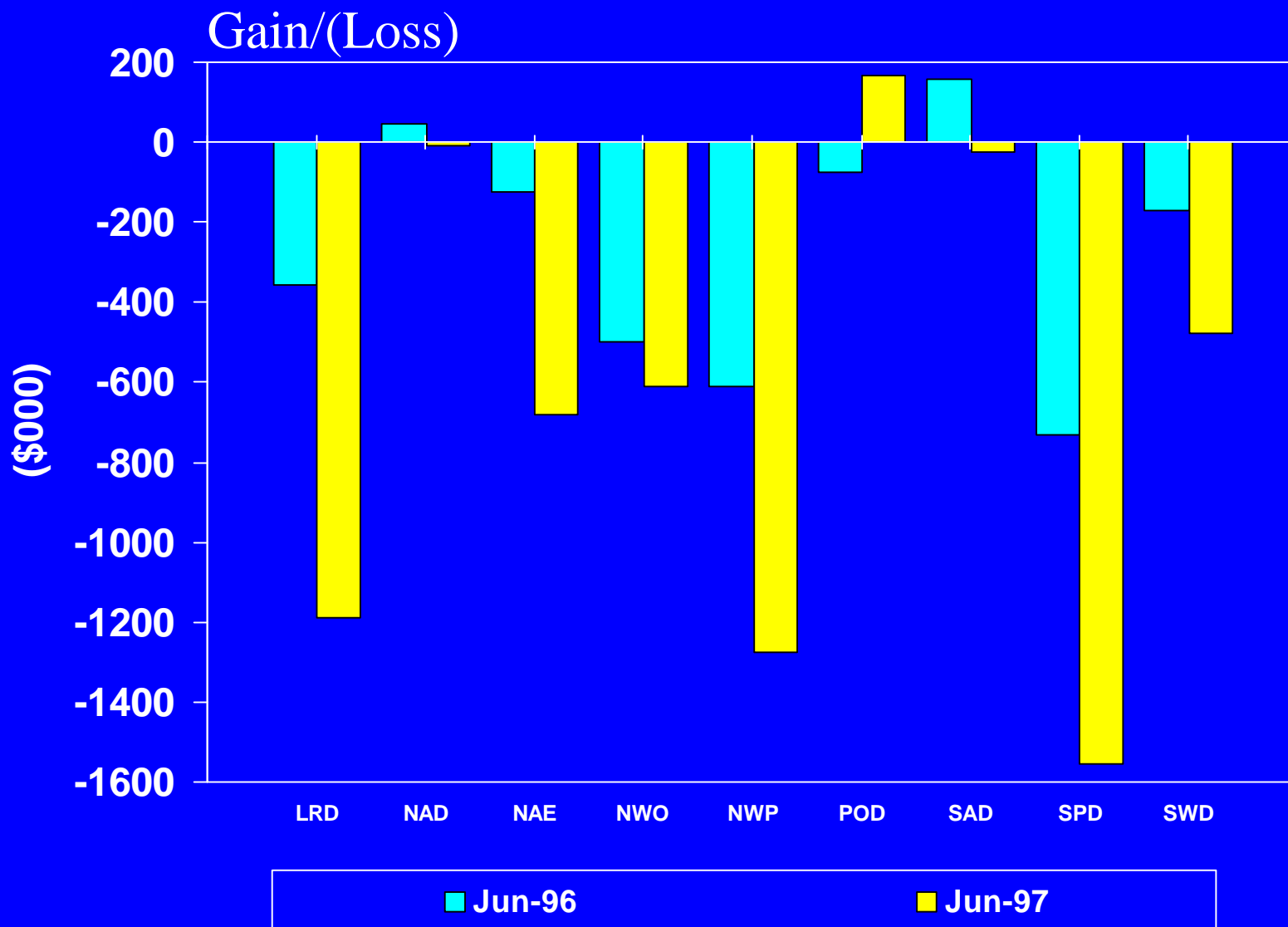
Revolving Fund - 3Q97

MSC LAB Operations



















Revolving Fund - 3Q97

















MSC LAB Operations










Cost of Doing Business

3Q97

	HNC	LRD	LRB	LRC	LRE	LRH	LRL	LRN	LRP	MVD	MVK	MVM	MVN	MVP	MVR	MVS
Summary																

	NAD	NAB	NAE	NAN	NAO	NAP	NWD	NWK	NWO	NWP	NWS	NWW	POD	POA	POF	POH
Summary																

	POJ	SAD	SAC	SAJ	SAM	SAS	SAW	SPD	SPA	SPK	SPL	SPN	SWD	SWF	SWG	SWL
Summary																

	SWT	TAC	TAE	TAW	CER	CRL	TEC	WES	HEC	CPW	MDC	WRC	HQ	CE
Summary														

	Satisfactory		Marginal		Unsatisfactory
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Cost of Doing Business - Design

















Division Overview - 3Q97

















































	HNC	LRD	MVD	NAD	NWD	POD	SAD	SPD	SWD	TAC	CER	CRL	TEC	WES	HQ	CE
Mil Design Cost Index																
Mil Design TLM	Satisfactory			Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Marginal						Satisfactory
Civ Design TLM		Unsatisfactory	Satisfactory	Satisfactory	Marginal	Satisfactory	Marginal	Unsatisfactory	Marginal							Marginal
Mil Design Chargeability				Satisfactory	Marginal	Satisfactory		Satisfactory		Satisfactory						Satisfactory
Civ Design Chargeability				Satisfactory	Satisfactory	Satisfactory		Unsatisfactory								Satisfactory



Cost of Doing Business

Design - 3Q97

	HNC	LRD	LRB	LRC	LRE	LRH	LRL	LRN	LRP	MVD	MVK	MVM	MVN	MVP	MVR	MVS
Mil Design Cost Index																
Mil Design TLM																
Civ Design TLM																
Mil Des Chargeability																
Civ Des Chargeability																

	NAD	NAB	NAE	NAN	NAO	NAP	NWD	NWK	NWO	NWP	NWS	NWW	POD	POA	POF	POH
Mil Design Cost Index																
Mil Design TLM																
Civ Design TLM																
Mil Des Chargeability																
Civ Des Chargeability																

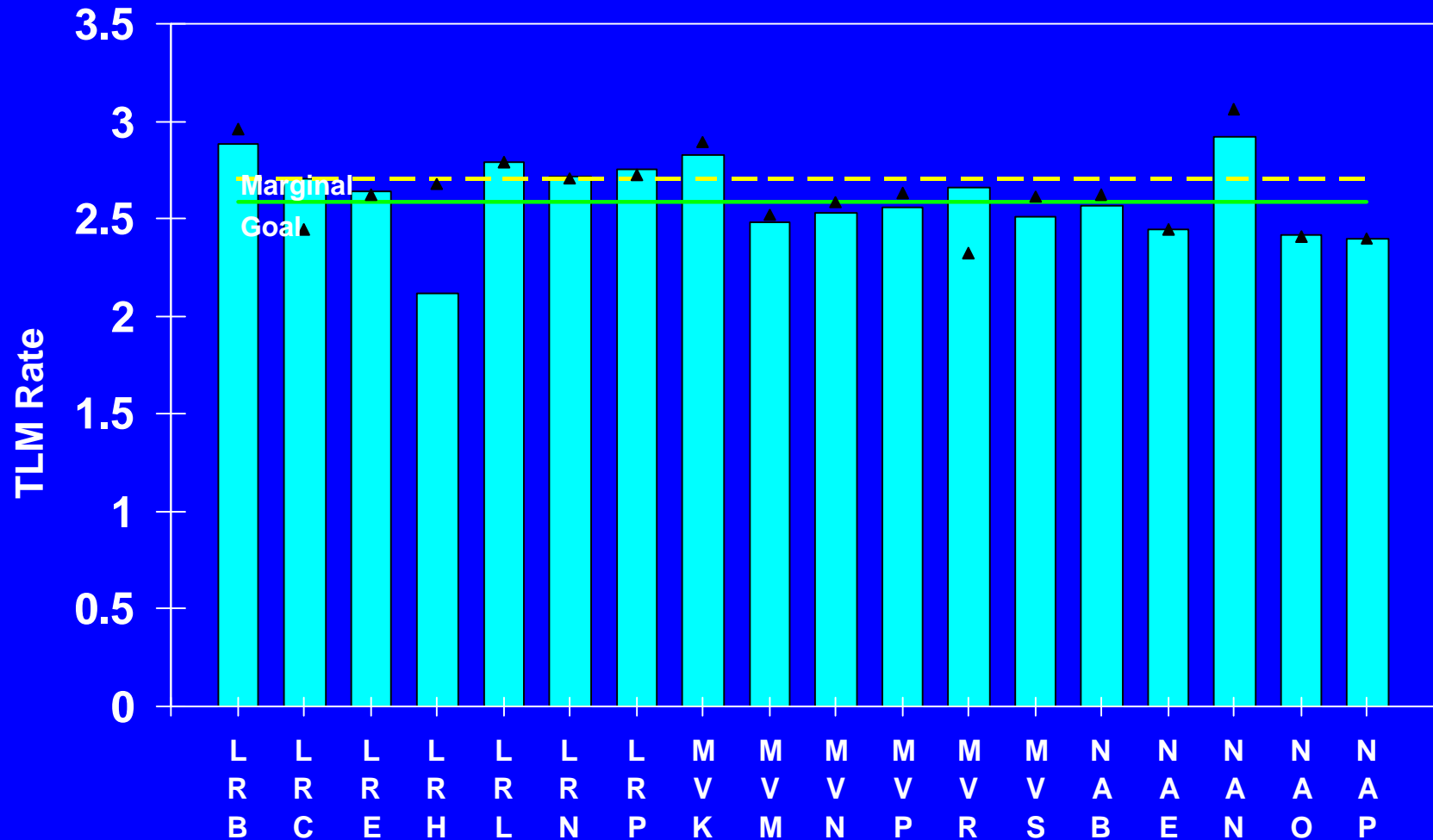
Cost of Doing Business

Design - 3Q97

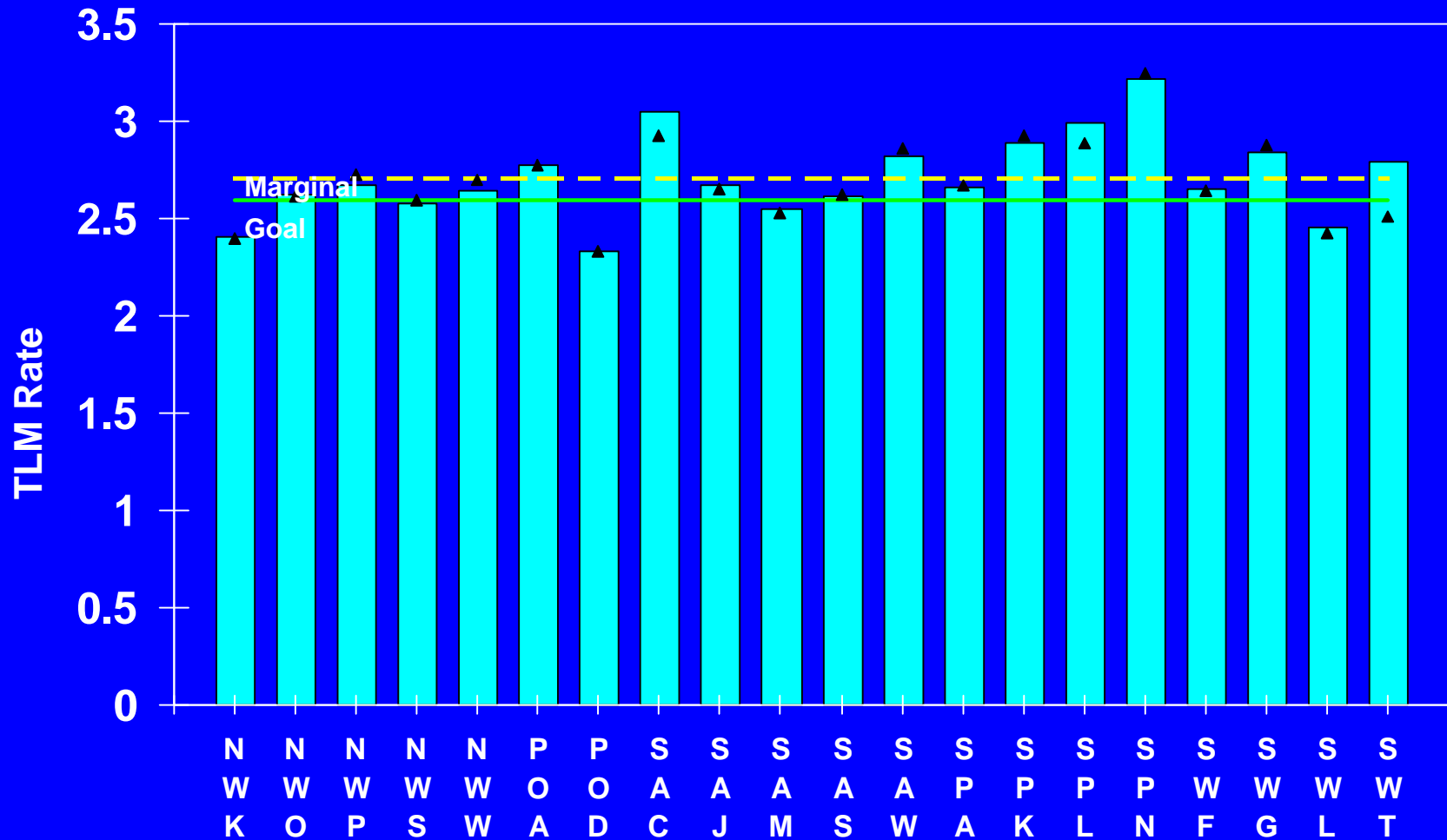
	POJ	SAD	SAC	SAJ	SAM	SAS	SAW	SPD	SPA	SPK	SPL	SPN	SWD	SWF	SWG
Mil Design Cost Index															
Mil Design TLM		Satisfactory			Satisfactory	Marginal		Satisfactory	Satisfactory	Satisfactory	Unsatisfactory		Satisfactory	Satisfactory	
Civ Design TLM		Marginal	Unsatisfactory	Marginal	Satisfactory	Marginal	Unsatisfactory	Unsatisfactory	Marginal	Unsatisfactory	Unsatisfactory	Unsatisfactory	Marginal	Marginal	Unsatisfactory
Mil Des Chargeability								Satisfactory		Marginal	Satisfactory				
Civ Des Chargeability								Unsatisfactory		Satisfactory	Unsatisfactory	Unsatisfactory			

	SWL	SWT	TAC	TAE	TAW	CER	CRL	TEC	WES	HEC	CPW	MDC	WRC	HQ	CE
Mil Design Cost Index															
Mil Design TLM	Satisfactory	Satisfactory	Marginal	Satisfactory	Unsatisfactory										Satisfactory
Civ Design TLM	Satisfactory	Unsatisfactory													Marginal
Mil Des Chargeability			Satisfactory	Satisfactory											Satisfactory
Civ Des Chargeability															Satisfactory

Civil Design TLM - 3Q97



Civil Design TLM - 3Q97



Civil Design TLM

PROGRAM GOAL: Achieve a ratio below the prescribed target of 2.59 (1996 design industry average 2.53).

CURRENT YEAR OBJECTIVES: Meet the prescribed target TLM of 2.59.

END OF YEAR PREDICTION: 70% of the districts/operating divisions will meet the target.

CURRENT YEAR RESOURCES: Estimated design base labor is \$78M. Estimated total TLM costs are \$208M.

IMPACT ASSESSMENT: High design costs will cause our customers with a choice to seek alternatives for accomplishing their work.

ANALYSIS AND CORRECTIVE ACTION: The Corps average design TLM is 2.66 - the same as 2nd qtr and still higher than the FY97 year-end average of 2.61. Fourteen districts/operating divisions met or did better than the target and 14 have red ratings. The rest of the districts are rated amber (10). If we want to be competitive with industry, commanders must determine the reason(s) for the increasing TLM rates (over staffing for workload, charging practices, high DOH rates accounting errors) and take corrective action.

AS OF: 30 Jun 97

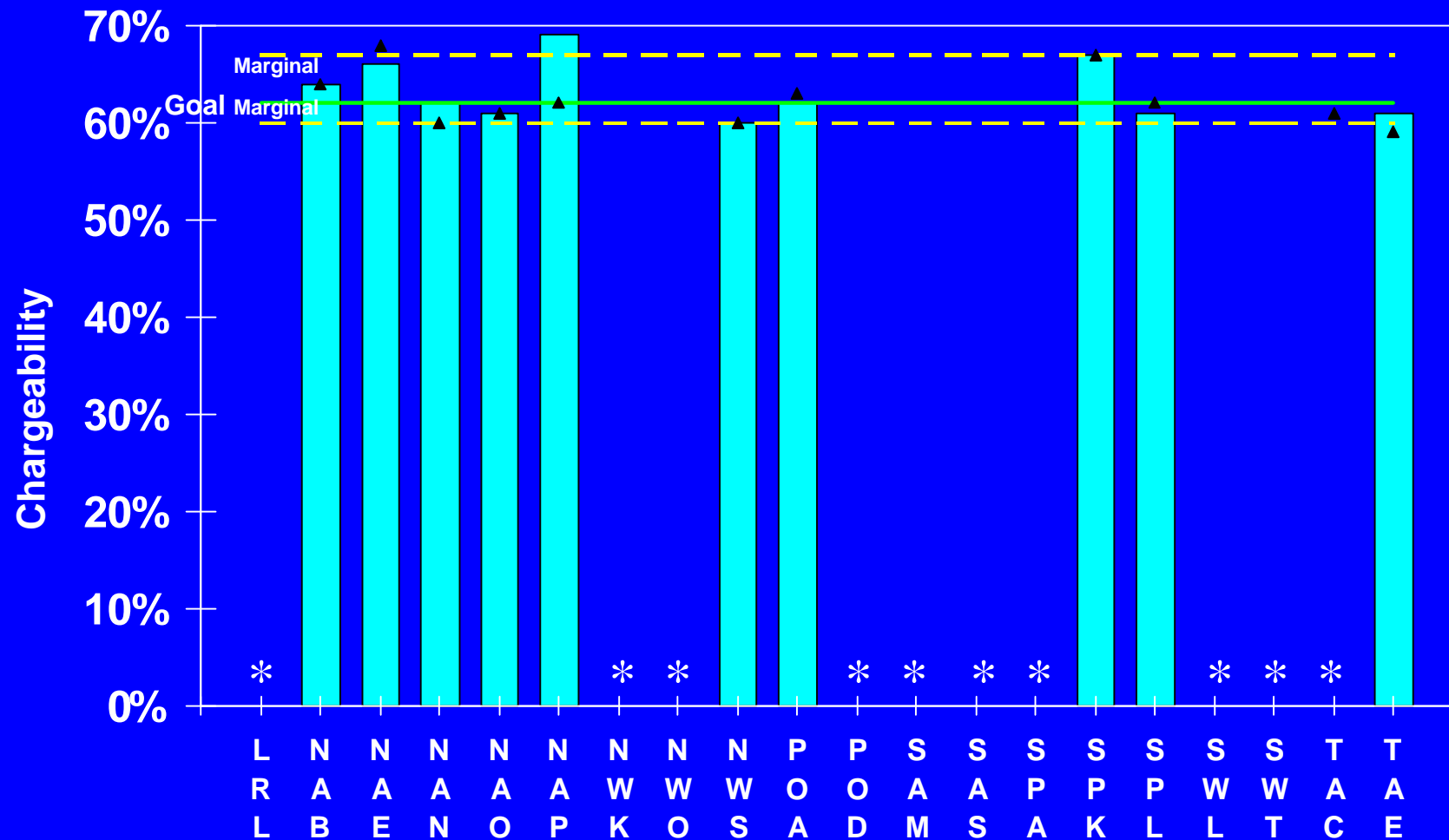
POC: Susan Turek

ASSESSMENT: AMBER

CERM-P

(202) 761-1860

Military Design** Chargeability - 3Q97



Military Design Chargeability

PROGRAM GOAL: Achieve a rate equivalent to the design industry average of 62%.

CURRENT YEAR OBJECTIVES: To have all districts/operating divisions direct charging in accordance with the design industry average of 62%.

END OF YEAR PREDICTION: 80% of the activities will be within an acceptable range of the design industry average.

CURRENT YEAR RESOURCES: Estimated total labor (including fringe \$) is \$127M. Includes directly and indirectly charged labor.

IMPACT ASSESSMENT: Failure to meet the program goal indicates inefficient use of labor.

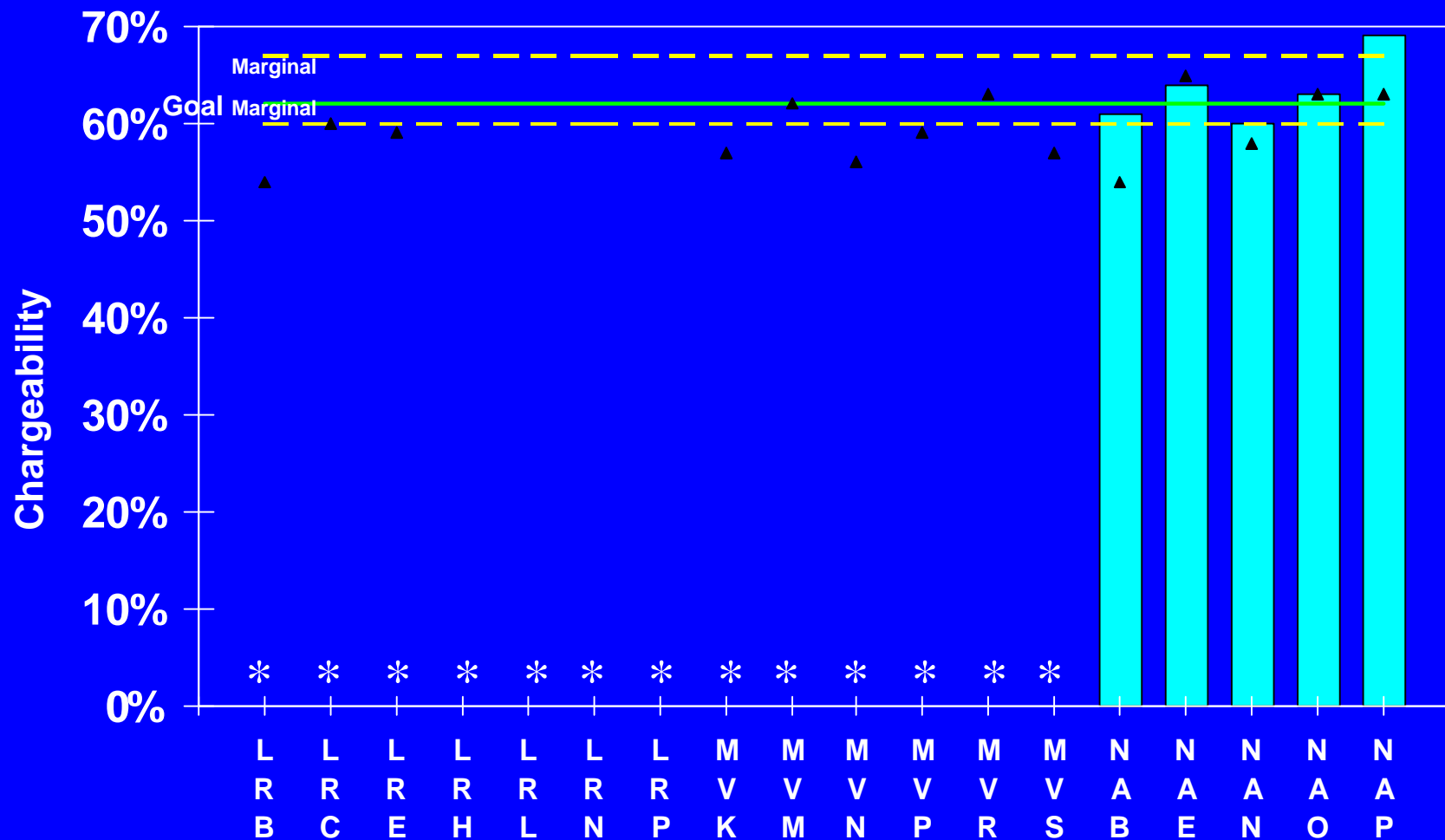
ANALYSIS AND CORRECTIVE ACTION: Only activities still on COEMIS are rated this qtr for the chargeability factor. Sometimes a low chargeability factor is an indication there is overstaffing for workload. Other reasons for low chargeability factors could be high DOH rates or shifts in charging practices from projects to overhead activities. High chargeability factors are usually an indication of mischarging practices. Chargeability factors in excess of 68% indicate the workforce is taking very little leave and they are charging all of their time to projects. Commanders need to understand why their chargeability factors are not in line with the industry average.

AS OF: 30 Jun 97

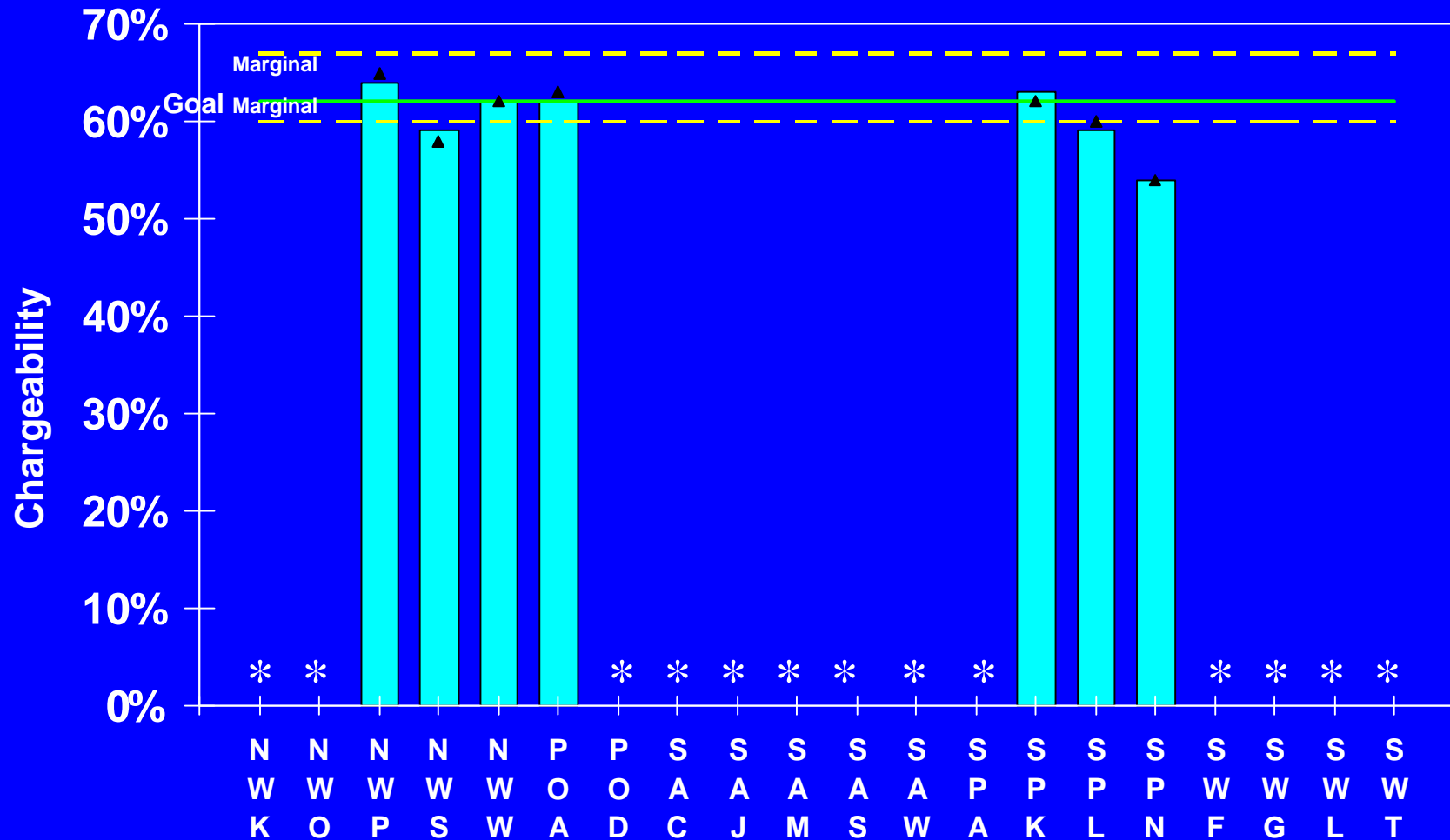
POC: Susan Turek
CERM-P
(202) 761-1860

ASSESSMENT: GREEN

Civil Design** Chargeability - 3Q97



Civil Design** Chargeability - 3Q97



Civil Design Chargeability

PROGRAM GOAL: Achieve a rate equivalent to the design industry average of 62%.

CURRENT YEAR OBJECTIVES: To have all districts/operating divisions direct charging in accordance with the design industry average of 62%.

END OF YEAR PREDICTION: 80% of the activities will be within an acceptable range of the design industry average.

CURRENT YEAR RESOURCES: Estimated total labor (including fringe \$) is \$156M. Includes directly and indirectly charged labor.

IMPACT ASSESSMENT: Failure to meet the program goal indicates inefficient use of labor.

ANALYSIS AND CORRECTIVE ACTION: Only activities still on COEMIS are rated this qtr for the chargeability factor. This scenario will change for 4q97 because we will have the capability to extract chargeability data from CEFMS. Five of the 12 COEMIS sites are outside the acceptable range for chargeability and of those 5, all but one have low chargeability factors. Commanders should look into the reason(s) for low chargeability factors and take action. Some reasons for low chargeability factors could be over staffing for workload, insufficient workload, high DOH rates or shifts in work concentration, i.e., from projects to overhead activities.





















AS OF: 30 Jun 97

POC: Susan Turek
CERM-P
(202) 761-1860

ASSESSMENT: GREEN

Cost of Doing Business - G&A Overhead

Division Overview - 3Q97

	HNC	LRD	MVD	NAD	NWD	POD	SAD	SPD	SWD	TAC	CER	CRL	TEC	WES	HQ	CE
Mil G&A OH																
Civ G&A OH																

 Satisfactory  Marginal  Unsatisfactory

Cost of Doing Business

General & Admin Overhead - 3Q97

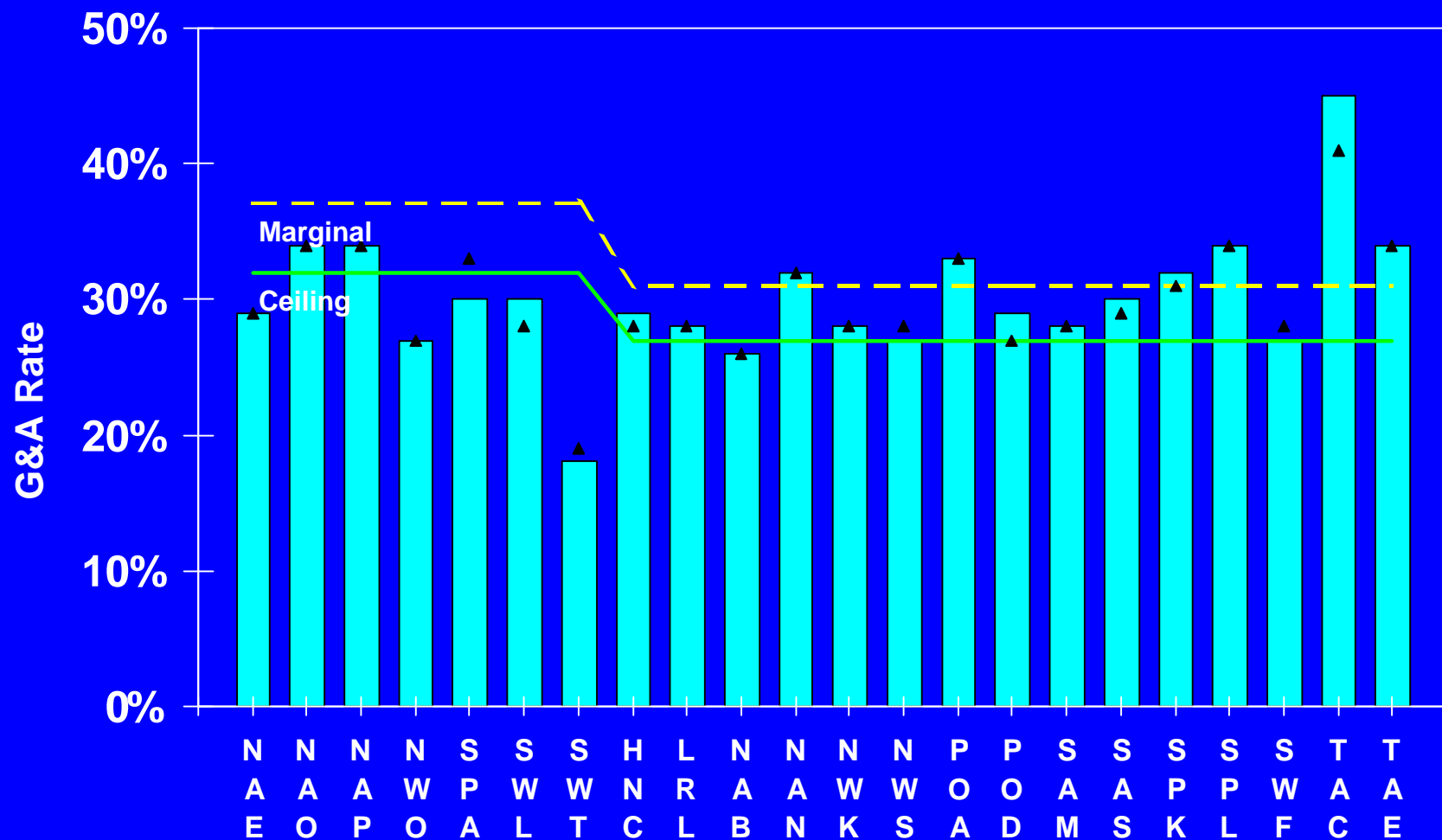
	HNC	LRD	LRB	LRC	LRE	LRH	LRL	LRN	LRP	MVD	MVK	MVM	MVN	MVP	MVR	MVS
Mil G&A OH																
Civ G&A OH																

	NAD	NAB	NAE	NAN	NAO	NAP	NWD	NWK	NWO	NWP	NWS	NWW	POD	POA	POF	POH
Mil G&A OH																
Civ G&A OH																

	POJ	SAD	SAC	SAJ	SAM	SAS	SAW	SPD	SPA	SPK	SPL	SPN	SWD	SWF	SWG	SWL
Mil G&A OH																
Civ G&A OH																

	SWT	TAC	TAE	TAW	CER	CRL	TEC	WES	HEC	CPW	MDC	WRC	HQ	CE
Mil G&A OH														
Civ G&A OH														

Military Gen & Admin - 3Q97



Military Gen & Admin

PROGRAM GOAL: Achieve an administrative overhead rate that is equal to or less than the USACE target of 32% for smaller districts and 27% for larger districts.

CURRENT YEAR OBJECTIVES: Meet the prescribed targets based on the Corps FY96 average general & admin overhead rates for all military work performed.

END OF YEAR PREDICTION: 90% of the dist/oper div will meet the prescribed general and admin overhead rates.

CURRENT YEAR RESOURCES: Estimated total G&A costs are \$95M.

IMPACT ASSESSMENT: High G&A rates lead to customer perception of high cost of doing business.

ANALYSIS AND CORRECTIVE ACTION: Fourteen districts are considered small because they have direct labor bases of \leq \$12M and their average G&A rate is 30%. Seven by the criteria are considered large and have an average G&A rate of 28%. We will probably surpass our year end prediction of 90% of the districts meeting the prescribed G&A rates. This qtr, only 2 sites exceed the standard and one is likely to be within the green range by year end. Commanders who are red should determine why (excessive costs, nominal balances, overstaffing, unique costs) and take action.

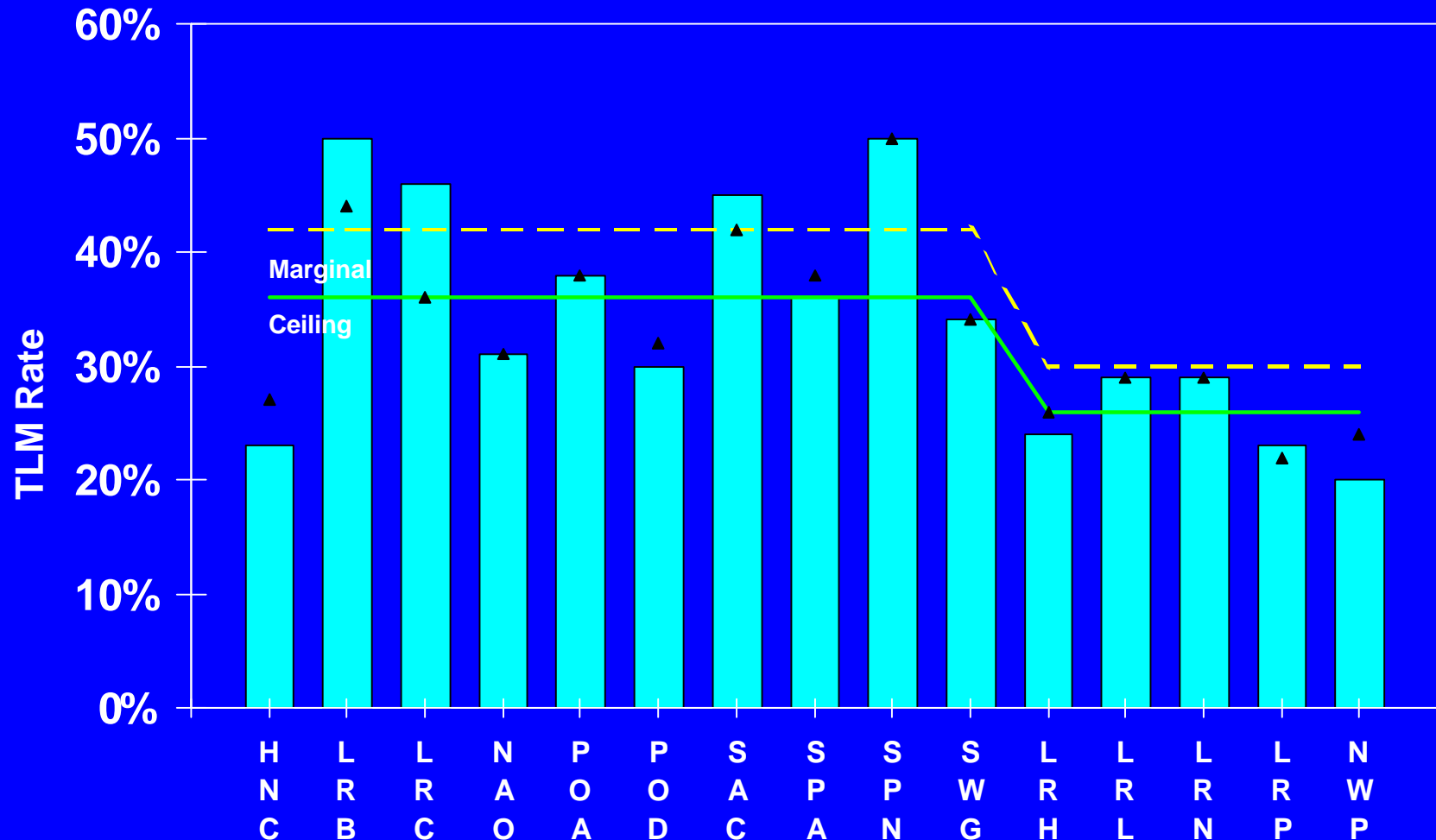
AS OF: 30 Jun 97

POC: Susan Turek
CERM-P
(202) 761-1860

ASSESSMENT: GREEN

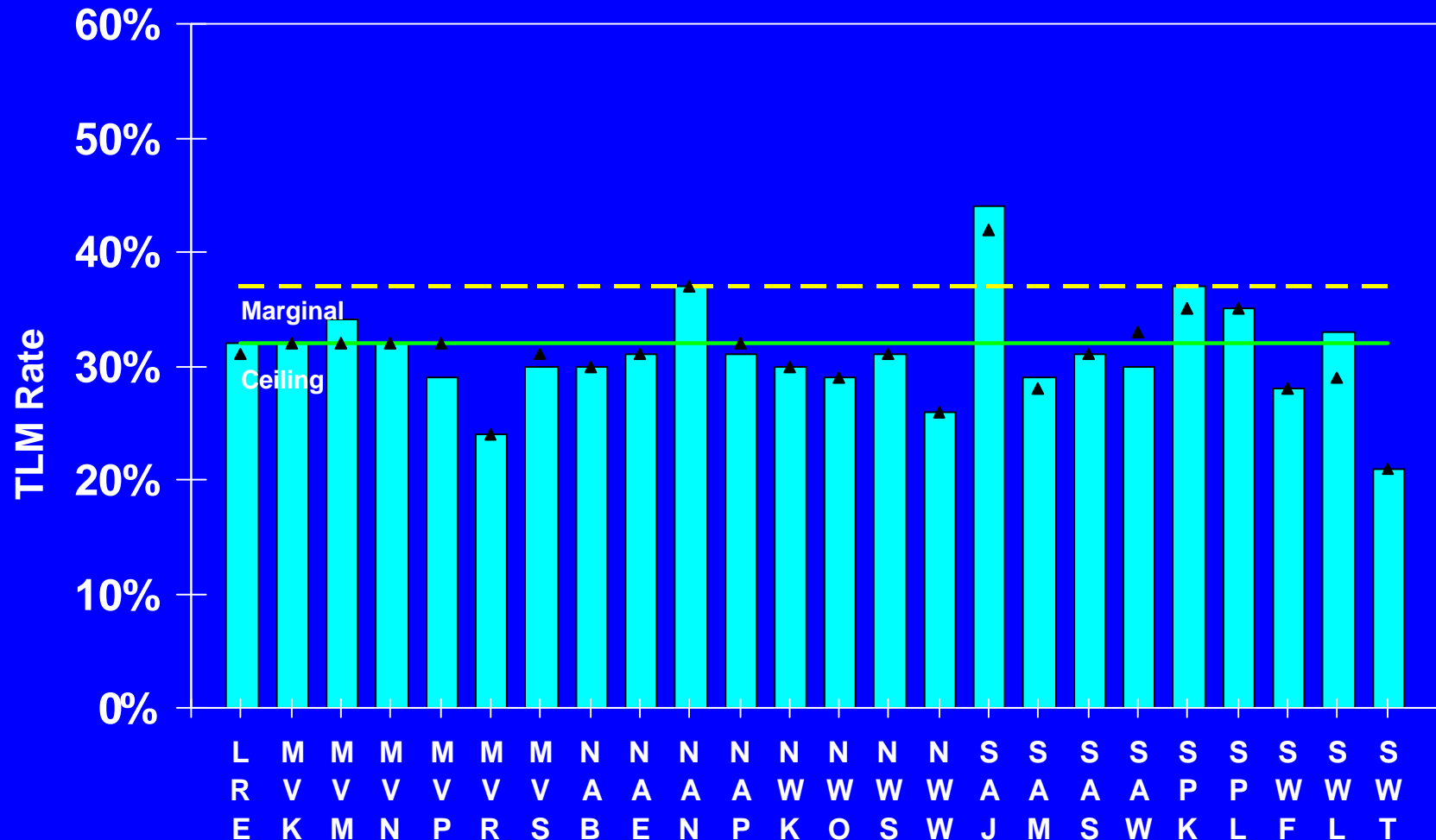
Civil Gen & Admin - 3Q97

Smallest & Largest** Districts*



Civil Gen & Admin - 3Q97

*Middle Size*** Districts*



Civil Gen & Admin

PROGRAM GOAL: Achieve an admin overhead rate that is equal to or less than the USACE target of 36% for smaller districts, 32% for middle size districts and 26% for larger districts.

CURRENT YEAR OBJECTIVES: Meet the prescribed targets based on the Corps FY96 average general & admin overhead rates for all civil work performed.

END OF YEAR PREDICTION: 90% of the dist/oper div will meet the prescribed general and admin overhead rates.

CURRENT YEAR RESOURCES: Estimated total G&A costs are \$236M.

IMPACT ASSESSMENT: High G&A rates lead to customers perception of high cost of doing business.

ANALYSIS AND CORRECTIVE ACTION: Third quarter FY97 average G&A rates are: 38% for small sized districts, 31% for medium sized districts, and 25% for large sized districts. The rate of greatest concern is the average rate for small sized districts because this rate is up considerably from the year-end FY96 average of 30%. Commanders who fall into the small sized category should see if their rate is above the FY96 average and determine the reason for the G&A rate increase for FY97. Some reasons for higher rates include excessive costs, improper charging practices, nominal balances, overstaffing or unique costs.

AS OF: 30 Jun 97

POC: Susan Turek

ASSESSMENT: GREEN

CERM-P

(202) 761-1860

Cost of Doing Business - Const Mgt

Division Overview - 3Q97

	HNC	LRD	MVD	NAD	NWD	POD	SAD	SPD	SWD	TAC	CER	CRL	TEC	WES	HQ	CE
Mil Const CMF	Unsatisfactory	Satisfactory		Satisfactory	Satisfactory	Marginal	Satisfactory	Marginal	Satisfactory	Satisfactory						Marginal



Cost of Doing Business

Construction Management - 3Q97

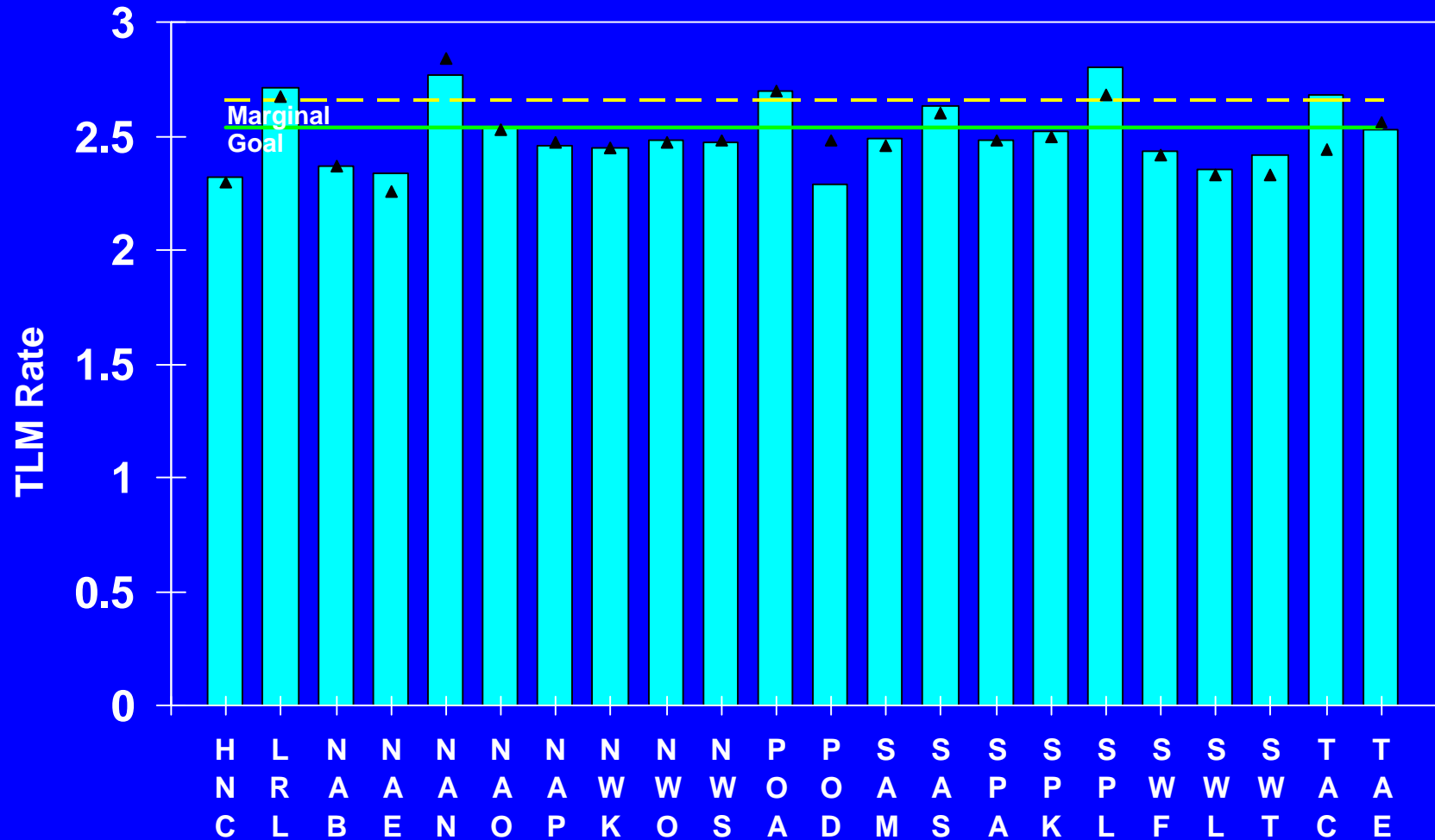
	HNC	LRD	LRB	LRC	LRE	LRH	LRL	LRN	LRP	MVD	MVK	MVM	MVN	MVP	MVR	MVS
Mil Const CMF	Unsatisfactory	Satisfactory		Satisfactory			Satisfactory									

	NAD	NAB	NAE	NAN	NAO	NAP	NWD	NWK	NWO	NWP	NWS	NWW	POD	POA	POF	POH
Mil Const CMF	Satisfactory	Satisfactory	Unsatisfactory	Satisfactory	Satisfactory	Marginal	Satisfactory	Satisfactory	Unsatisfactory		Satisfactory		Marginal	Unsatisfactory	Satisfactory	Satisfactory

	POJ	SAD	SAC	SAJ	SAM	SAS	SAW	SPD	SPA	SPK	SPL	SPN	SWD	SWF	SWG	SWL
Mil Const CMF	Satisfactory	Satisfactory			Marginal	Satisfactory		Marginal	Marginal	Satisfactory	Unsatisfactory		Satisfactory	Satisfactory		Unsatisfactory

	SWT	TAC	TAE	TAW	CER	CRL	TEC	WES	HEC	CPW	MDC	WRC	HQ	CE
Mil Const CMF	Satisfactory	Satisfactory	Satisfactory	Unsatisfactory										Marginal

Military Design TLM - 3Q97



Military Design TLM

PROGRAM GOAL: Achieve a ratio below the design industry average of 2.53 in 1996.

CURRENT YEAR OBJECTIVES: Meet the prescribed target TLM of 2.54.

END OF YEAR PREDICTION: 80% of the dist/oper div will meet the target.

CURRENT YEAR RESOURCES: Estimated design base labor is \$73M. Estimated total TLM expenses are \$178M.

IMPACT ASSESSMENT: High design costs will cause our customers to seek alternatives for accomplishing their work.

ANALYSIS AND CORRECTIVE ACTION: The good news is the Corps average TLM rate for 3q97 is 2.51 which is below the design industry average. The bad news is that 5 of our districts have TLM rates outside the acceptable range and there is little they may do at this late stage to lower their rates. Commanders, however, need to determine why they are outside the acceptable range (over staffing for workload; charging practices; high effective, DOH and/or G&A rates; accounting errors, anomalies in business practices) and take steps to reduce TLM rates for FY98. TLM targets will be aligned with the standards for evaluating G&A overhead in FY98. We will develop 2 separate TLM targets, one for small and one for larger sized districts, on the basis of their direct labor base.

AS OF: 30 Jun 97

POC: Susan Turek
CERM-P
(202) 761-1860

ASSESSMENT: GREEN